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GOLDSTREAM INVESTMENT LIMITED

金涌投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1328)

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

On 26 April 2024 (after trading hours), the Company entered into separate Subscription Agreements with each of the Subscribers, pursuant to which the Subscribers conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue, an aggregate of 1,336,302,894 Subscription Shares at the Subscription Price of HK\$0.02245 per Share.

The Subscription Shares represent (i) approximately 11.62% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 10.41% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming there is no change in the issued share capital of the Company between the date of this announcement and the Completion Date save for the allotment and issue of the Subscription Shares). The Subscription Shares will be allotted and issued pursuant to the General Mandate.

The Subscription Price of HK\$0.02245 per Share represents (i) a discount of approximately 19.82% to the closing price of HK\$0.028 per Share as quoted on the Stock Exchange on 26 April 2024, being the date of the Subscription Agreements; (ii) a discount of approximately 18.66% to the average closing price per Share of HK\$0.0276 as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day; and (iii) a discount of approximately 23.64% to the average closing price of approximately HK\$0.0294 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days ending with the Last Trading Day.

An application will be made by the Company to the listing committee of the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares.

Subject to completion of the Subscription, the gross proceeds from the Subscription are expected to be HK\$30,000,000. The net proceeds from the Subscription (after deduction of related costs, expenses and fees) are estimated to amount to approximately HK\$29,600,000, representing the net price of approximately HK\$0.02215 per Subscription Share. The Company intends to apply 90% of the net proceeds from the Subscription for expanding its direct investment business and 10% of the net proceeds from the Subscription for general working capital purpose.

As the Subscription is subject to the fulfillment of the Condition and may or may not proceed, Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company, and should consult their professional adviser if they are in any doubt.

On 26 April 2024 (after trading hours), the Company entered into separate Subscription Agreements with each of the Subscribers, pursuant to which the Subscribers conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue, an aggregate of 1,336,302,894 Subscription Shares at the Subscription Price of HK\$0.02245 per Share.

THE SUBSCRIPTION AGREEMENTS

Each of the Subscription Agreements is on substantially similar terms (other than the identity of the Subscribers and the number of Subscription Shares). Principal terms of the Subscription Agreements are set out below:

Date

26 April 2024 (after trading hours)

Parties and Subscription Shares

Subscription Agreements	Parties	Number of Subscription Shares	Total Subscription Proceed (being the Subscription Price multiplied by the number of the Subscription Shares, rounded up to the nearest HK\$ (as applicable)) (HK\$)
Subscription Agreement I	(1) Subscriber I (2) the Company	705,868,596	15,846,750
Subscription Agreement II	(1) Subscriber II (2) the Company	185,000,000	4,153,250
Subscription Agreement III	(1) Subscriber III (2) the Company	445,434,298	10,000,000
	Total:	<u>1,336,302,894</u>	<u>30,000,000</u>

The 1,336,302,894 Subscription Shares represent:

- (i) approximately 11.62% of the existing issued share capital of the Company as at the date of this announcement; and
- (ii) approximately 10.41% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming that there is no change in the issued share capital of the Company between the date of this announcement and the Completion Date save for the allotment and issue of the Subscription Shares).

Based on the par value of HK\$0.01 per Share, the aggregate nominal value of the 1,336,302,894 Subscription Shares will be HK\$13,363,028.94.

Subscription Price

The Subscription Price, being HK\$0.02245, represents:

- (i) a discount of approximately 19.82% to the closing price of HK\$0.028 per Share as quoted on the Stock Exchange on 26 April 2024, being the date of the Subscription Agreements;
- (ii) a discount of approximately 18.66% to the average closing price of approximately HK\$0.0276 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days ending with the Last Trading Day; and
- (iii) a discount of approximately 23.64% to the average closing price of approximately HK\$0.0294 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days ending with the Last Trading Day.

The Subscription Price was determined after arm's length negotiations between the Company and each of the Subscribers and with reference to the prevailing market price and recent trading volume of the Shares and the current market conditions. Having considered the current market conditions, the Directors are of the view that the Subscription Price is fair and reasonable, on normal commercial terms, and in the interests of the Company and the Shareholders as a whole.

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with all other Shares in issue as at the date of allotment and issue of such Subscription Shares, including the right to receive all future dividends and distributions which may be declared, made or paid by the Company with a record date falling on or after the date of allotment and issue of such Subscription Shares.

Condition of the Subscription

Completion of each of the Subscription Agreements is conditional upon the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the relevant Subscription Shares (and such listing and permission not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the relevant Subscription Shares thereunder) (the “**Condition**”).

The Condition may not be waived by the Company or any Subscriber.

If the Condition is not fulfilled on or before the Long Stop Date, or such other date as may be agreed between the Company and the relevant Subscriber, the relevant Subscription Agreement shall lapse and become null and void, and the parties thereof will be released from all obligations under the relevant Subscription Agreement except in respect of any antecedent breach.

Completion

Completion of the Subscription Agreements shall take place on the third Business Day immediately after fulfilment of the Condition, or such other date as the Company and the relevant Subscriber(s) may agree. Completion of the Subscription under each of the Subscription Agreements is not inter-conditional with each other.

Lock-Up Undertaking

Each of the Subscribers has unconditionally and irrevocably undertaken to the Company that, without the prior consent of the Company, the Subscriber will not, whether directly or indirectly, at any time during the period of six (6) months following the Completion Date, (i) offer to sell, transfer, contract to sell or otherwise deal with any of the Subscription Shares subscribed by such Subscriber or any interests therein; or (ii) enter into any swap or derivatives that transfer the economic effect of ownership of such Subscription Shares or any interests therein; or (iii) announce any intention to enter into or effect any such transactions described in (i) or (ii) above.

GENERAL MANDATE

The Subscription Shares will be issued under the General Mandate, which has been granted to the Directors to allot, issue and deal with up to 2,299,098,864 new Shares, representing 20% of the total number of Shares in issue as at the date of AGM. As at the date of this announcement, no Shares have been allotted and issued pursuant to the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares and the issue of the Subscription Shares is not subject to further approval by the Shareholders.

APPLICATION FOR LISTING

An application will be made by the Company to the listing committee of the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares.

EQUITY FUND RAISING ACTIVITY IN THE PAST TWELVE MONTHS

The Company has not carried out any fund raising activity by issue of equity securities during the 12 months immediately preceding the date of this announcement.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Subscription (assuming that all of the Subscription Shares are allotted and issued and there is no other change in the issued share capital of the Company between the date of this announcement and completion of the Subscription):

Name of Shareholders	As at the date of this announcement		Immediately after completion of the Subscription	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
Substantial Shareholder(s)				
Hony Gold Holdings, L.P. (Note 1)	7,802,539,321	67.87%	7,802,539,321	60.81%
Public Shareholders				
Subscriber I	–	–	705,868,596	5.50%
Subscriber II	–	–	185,000,000	1.44%
Subscriber III	–	–	445,434,298	3.47%
Other public Shareholders	<u>3,692,955,000</u>	<u>32.13%</u>	<u>3,692,955,000</u>	<u>28.78%</u>
Total (Note 2)	<u>11,495,494,321</u>	<u>100%</u>	<u>12,831,797,215</u>	<u>100%</u>

Notes:

- As at the date of this announcement, Hony Gold Holdings, L.P. is managed by Hony Gold GP Limited (as general partner). Hony Gold GP Limited is a wholly-owned subsidiary of Hony Group Management Limited, which is owned as to 80% by Hony Managing Partners Limited. Hony Managing Partners Limited is a wholly-owned subsidiary of Exponential Fortune Group Limited, which is owned by Mr. Zhao John Huan (being a Director) as to 49%. As such, Mr. Zhao John Huan, Exponential Fortune Group Limited, Hony Managing Partners Limited, Hony Group Management Limited and Hony Gold GP Limited are deemed to be interested in the shares in which Hony Gold Holdings, L.P. is interested under the SFO.
- The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures to two decimal places.

INFORMATION OF THE COMPANY

The Company and its subsidiaries are principally engaged in (i) the provision of investment management business, and (ii) the strategic direct investment business.

INFORMATION OF THE SUBSCRIBERS

Subscriber I

Insofar as the Company is aware, Subscriber I is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in securities investment; and it is directly wholly-owned by Mr. Huang Shaokang (黃少康) as at the date of this announcement.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, as at the date of this announcement, Subscriber I and its ultimate beneficial owner are Independent Third Parties.

Subscriber II

Insofar as the Company is aware, (i) Subscriber II is a company incorporated in the Hong Kong with limited liability and is principally engaged in securities investment; and (ii) Subscriber II is an indirect wholly-owned subsidiary of GET Holdings, which is in turn a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on GEM of the Stock Exchange (stock code: 8100). Based on the disclosure of interests filings in respect of GET Holdings under Part XV of the SFO published on the website of the Stock Exchange and the information available to the Company, as at the date of this announcement, GET Holdings is held as to 75% by Mr. Wong Jing Shong and there is no other person who has, or is deemed to have interests in the shares of GET Holdings under Part XV of the SFO.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, as at the date of this announcement, each of Subscriber II and Mr. Wong Jing Shong is an Independent Third Party.

Subscriber III

Insofar as the Company is aware, Subscriber III is an individual investor.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, as at the date of this announcement, Subscriber III is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The Directors consider that the issue of the Subscription Shares represents an opportunity to raise additional funds to support the Company's existing operations and further development of its existing and potential business and investment opportunities, and provide working capital to the Group to meet any financial obligations of the Group without any interest burden. The Directors believe that Subscription reflects the confidence from the Subscribers towards the long-term and sustainable development of the Company and the proceeds to be generated from the Subscription will strengthen the capital base and financial position of the Group.

The Directors has considered other alternative fund-raising methods such as debt financing, rights issue or open offer. The Directors considered that debt financing may incur additional interest burden on the Group and may be subject to due diligence and negotiations with the financial institutions with reference to the Group's financial position and the then financial market condition. On the other hand, rights issue or open offer may also involve relatively longer time and higher cost to complete as compared to the equity financing through issue of the new Shares under the General Mandate.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Subscription Agreements and the transactions contemplated thereunder, including the Subscription Price, are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS

Subject to completion of the Subscription, the gross proceeds from the Subscription are expected to be HK\$30,000,000. The net proceeds from the Subscription (after deduction of related costs, expenses and fees) are estimated to amount to approximately HK\$29,600,000, representing the net price of approximately HK\$0.02215 per Subscription Share. The Company intends to apply 90% of the net proceeds from the Subscription for expanding its direct investment business and 10% of the net proceeds from the Subscription for general working capital purpose.

As the Subscription is subject to the fulfillment of the Condition and may or may not proceed, Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company, and should consult their professional adviser if they are in any doubt.

DEFINITIONS

Unless the context otherwise requires, the following terms shall have the meanings set out below:

“AGM”	the annual general meeting of the Company held on 5 June 2023;
“Board”	the board of Directors;
“Business Day(s)”	any day (excluding Saturday, Sunday and public holidays) on which banks are generally open for business in Hong Kong;
“Company”	Goldstream Investment Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1328);
“Completion Date”	the third (3rd) Business Day immediately after fulfilment of the Condition, or such other date as the Company and the Subscriber(s) may agree;

“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“General Mandate”	the general mandate granted to the Directors pursuant to the resolution of the Shareholders passed at the AGM to allot, issue and deal with up to 2,299,098,864 Shares, being 20% of the total number of Shares in issue as at the date of AGM;
“GET Holdings”	GET Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on GEM of the Stock Exchange (stock code: 8100);
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Third Parties”	a person or persons, or entity or entities who/which is/are not connected person(s) of the Company;
“Last Trading Day”	25 April 2024, being the last full trading day of Shares immediately prior to the date of the Subscription Agreements;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Long Stop Date”	12 June 2024, or such other date as may be agreed between the Company and the Subscriber(s) in writing;
“PRC”	the People’s Republic of China;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscribers”	collectively, Subscriber I, Subscriber II and Subscriber III, and each a “Subscriber”;
“Subscriber I”	Bestgrand Chemicals Group Limited, a company incorporated in the British Virgin Islands with limited liability;
“Subscriber II”	Perfect Growth Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of GET Holdings;
“Subscriber III”	Mr. YU Chuanming (余傳明);
“Subscription”	subscription of the Subscription Shares by the Subscribers pursuant to the terms and conditions of the respective Subscription Agreements;
“Subscription Agreements”	collectively, Subscription Agreement I, Subscription Agreement II and Subscription Agreement III, and each a “Subscription Agreement”;
“Subscription Agreement I”	the subscription agreement dated 26 April 2024 between the Company and Subscriber I in relation to the subscription of 705,868,596 Shares by Subscriber I in the Company;
“Subscription Agreement II”	the subscription agreement dated 26 April 2024 between the Company and Subscriber II in relation to the subscription of 185,000,000 Shares by Subscriber II in the Company;
“Subscription Agreement III”	the subscription agreement dated 26 April 2024 between the Company and Subscriber III in relation to the subscription of 445,434,298 Shares by Subscriber II in the Company;

“Subscription Price”	HK\$0.02245 per Subscription Share;
“Subscription Share(s)”	new Share(s) to be allotted and issued by the Company to the Subscribers under the Subscription Agreements;
“subsidiary(ies)”	has the meaning ascribed to it under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules; and
“%”	per cent.

By order of the Board
Goldstream Investment Limited
Mr. Zhao John Huan
Chairman

Hong Kong, 26 April 2024

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Zhao John Huan (Chairman) and Mr. Gao Ziqi (Chief Executive Officer); one non-executive Director, namely Mr. Tam Terry SzeYing; and three independent non-executive Directors, namely Mr. Jin Qingjun, Mr. Lee Kin Ping Christophe, and Mr. Shu Wa Tung Laurence.